

ALTERNATIVE LANGUAGE
REVISION OF PROPERTY TAX RULE 462.040, *CHANGE IN OWNERSHIP – JOINT TENANCIES*

NO.	SECTION REFERENCE		SOURCE	PROPOSED LANGUAGE
	PAGE	LINE		
1	1	29	Placer County Assessor's office (M. Sierra-Sammons)	Revise sentence: To create original transferor status, a transaction must occur that either changes <u>or establishes</u> title <u>vesting</u> to joint tenancy or adds an additional person to title <u>as a joint tenant</u> .
2	1	Ex 5 34	Santa Clara County Assessor's Office (N. Galvez)	Example 5: ...If A and B had transferred their interest into trust one day after the effective date of the amendments adding this sentence, neither A's trust nor B's trust would be considered a joint tenant and neither A nor B would be considered an "original transferor" as a result of the transfer into trust. Comment: Want to confirm that the November 13, 2003 date will no longer apply in this case and that this change applies only for those transfers that follow the "effective date of the amendments." Asking this question because we have to change the way we show "original transferor" in our title chain.
3	1	Ex 5 37	San Luis Obispo County Assessor's Office (B. Edginton)	Revise Example 5: If A and B had transferred their interests into trust one day <u>on any date</u> after the effective date of the amendments adding this sentence, neither A's trust nor B's trust would be considered a joint tenant and neither A nor B would be considered an 40 "original transferor" as a result of the transfer into trust. Comment: To make sure that there is no misunderstanding in case there is a transfer two days after the effective date.
4	2	Ex 7 7-11	San Luis Obispo County Assessor's Office (B. Edginton)	Revise Example 7: A and B acquire property as joint tenants. A and B transfer to A, B, C, D and E as joint tenants. E is B's wife. No change in ownership because A and B, the transferors, are included among the transferees and are, therefore, "original transferors." E, <u>the spouse of an "original transferor,"</u> is also an "original transferor." (C and D are "other than original transferors.") Comment: Just to clarify why E becomes an original transferor, and to match the identifier in Example 9.
5	2	Ex 9 18	San Luis Obispo County Assessor's Office (B. Edginton)	Revise Example 9: A transfers to A and B as joint tenants. A is an "original transferor" <u>and B.</u> C is A's registered domestic partner. A and B, as joint tenants, transfer to A, B, and C, as joint tenants. C is an "original transferor" because he was the registered domestic partner of an "original transferor." <u>B is an "original transferor"</u> because he is a transferor who is among the transferees. Comment: If B is not also identified as an "original transferor," it implies he did not become an "original transferor."
6	2	Ex 9 20	Galanti & Copenhaver, Inc. (E. Copenhaver)	Revise Example 9: C is an "original transferor" because he was <u>is</u> the registered domestic partner of an "original transferor."

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7	2	Ex 10 23	Ambrecht & Associates (Dibby Allan Green)	Revise Example 10: A and B transfers to A and B as joint tenants. A is an "original transferor." A and B, as joint tenants, transfer to B and C as joint tenants. C is A's registered domestic partner. C is an "original transferor" because C was the registered domestic partner of an "original transferor" and C acquired an interest by means of a transfer from A. <u>There is no change in ownership because C, as "original transferor," remains on title.</u>
8	2	Ex 10 23	Contra Costa County Assessor's Office (B. Grose)	Example 10: . A and B transfer to A and B as joint tenants. A is an "original transferor." Comment: Can it include whether B becomes an "original transferor" and why or why not? The way the example has been reworked I'm not sure what B's status is.
9	2	Ex 10 23	Santa Clara County Assessor's Office (N. Galvez)	Example 10: A and B transfer to A and B as joint tenants. A is an "original transferor." Comment: Why is A the ONLY "original transferor"? There is no tenancy established before they transferred their interest into joint tenancy, so I am assuming they are tenants in common. If this is the case, A and B should be "original transferors" when they both transfer their interest into joint tenancy (LTA 2004/042). This example may need a bit more clarification as to why B is not an "original transferor."
10	2	Ex 10 23	Galanti & Copenhaver, Inc. (Erika Copenhaver)	Example 10: A and B transfer to A and B as joint tenants. A is an "original transferor." Comment: Should state that both A & B are original transferors. And finally, line 26 should also reflect "is" the registered domestic partner, not "was."
11	2	Ex 10 23	Placer County Assessor's office (M. Sierra-Sammons)	Example 10: A and B transfer to A and B as joint tenants. A is an "original transferor." Comment: What is B's status? B's status as to whether he's an original transferor or not should be clarified.
12	2	Ex 10 23	San Luis Obispo County Assessor's Office (B. Edginton)	Revise Example 10: A and B transfers to A and B as joint tenants. A is an "original transferor, <u>and B is an "other than original transferor."</u> A and B, as joint tenants, transfer to B and C as joint tenants. C is A's registered domestic partner. C is an "original transferor" because C was the registered domestic partner of an "original transferor" and C acquired an interest by means of a transfer from A. Comment: I think including B in the first sentence was just a typing error. However, to stay consistent, the example should identify both those that are "original transferors" and those who are "other than original transferors." In fact, this example should include which B is after the transfer. Would B be an "original transferor" or "other than original transferor"?
13	2	Ex 10 25	Galanti & Copenhaver, Inc. (Erika Copenhaver)	Revise Example 10: C is an "original transferor" because C was <u>is</u> the registered domestic partner of an "original transferor" and C acquired an interest by means of a transfer from A.

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14	2	Ex 12 31	San Luis Obispo County Assessor's Office (B. Edginton)	<p>Revise Example 12: A and B purchase property as joint tenants. On August 13, 2003, A and B sell a 50 percent interest to C and D, with the deed showing A, B, C, and D as joint tenants. A and B become "original transferors." <u>C and D become "other than original transferors."</u> On December 13, 2003, C and D then transfer their joint tenancy interests to each other through their trusts, so that both become "original transferors." On January 13, 2004, A and B then sell their remaining 50 percent to C and D, and go off title. Under circumstances where application of the step-transaction doctrine to disregard the form of the transaction would be appropriate due to their intent to avoid a change in ownership, A, B, C, and D do not become "original transferors" as the result of their transfers to each other.</p> <p>Comment: Wouldn't just C and D having interests transfer <u>to each other</u> sever the joint tenancy? Don't they need to include A and B as beneficiaries of their trusts to become "original transferors"?</p>
15	3	Ex 13 3	Ambrecht & Associates (Dibby Allan Green)	<p>Revise Example 13: A and B transfer to A, B, C, and D as joint tenants. <u>A and B are "original transferors" and C and D are "other than original transferors."</u> A dies or grants his interest to the remaining joint tenants, B, C, and D. No change in ownership because B, an "original transferor," remains as a joint tenant.</p>
16	3	Ex 13 3	San Luis Obispo County Assessor's Office (B. Edginton)	<p>Revise Example 13: A and B transfer to A, B, C, and D as joint tenants. <u>A and B are "original transferors." C and D are "other than original transferors."</u> A dies or grants his interest to the remaining joint tenants, B, C, and D. No change in ownership because B, an "original transferor," remains as a joint tenant.</p> <p>Comment: To maintain consistency in identifying who are "original transferors" and who are "other than original transferors."</p>
17	3	Ex 14 6	San Luis Obispo County Assessor's Office (B. Edginton)	<p>Example 14: A and B transfer to A, B, C, and D as joint tenants. A and B are "original transferors." C and D are "other than original transferors." A dies or grants his interest to the remaining joint tenants, B, C, and D. No change in ownership because B, an "original transferor," remains as a joint tenant. Subsequently, B dies or grants his interest to C and D. 100 percent change in ownership because both A's and B's interests had previously been excluded from reappraisal, and B was the last surviving "original transferor."</p> <p>Comment: Isn't it actually C's and D's interests that were previously excluded from reappraisal?</p>